



# Moving Washington Forward

## Governor Locke's Budget Principles:

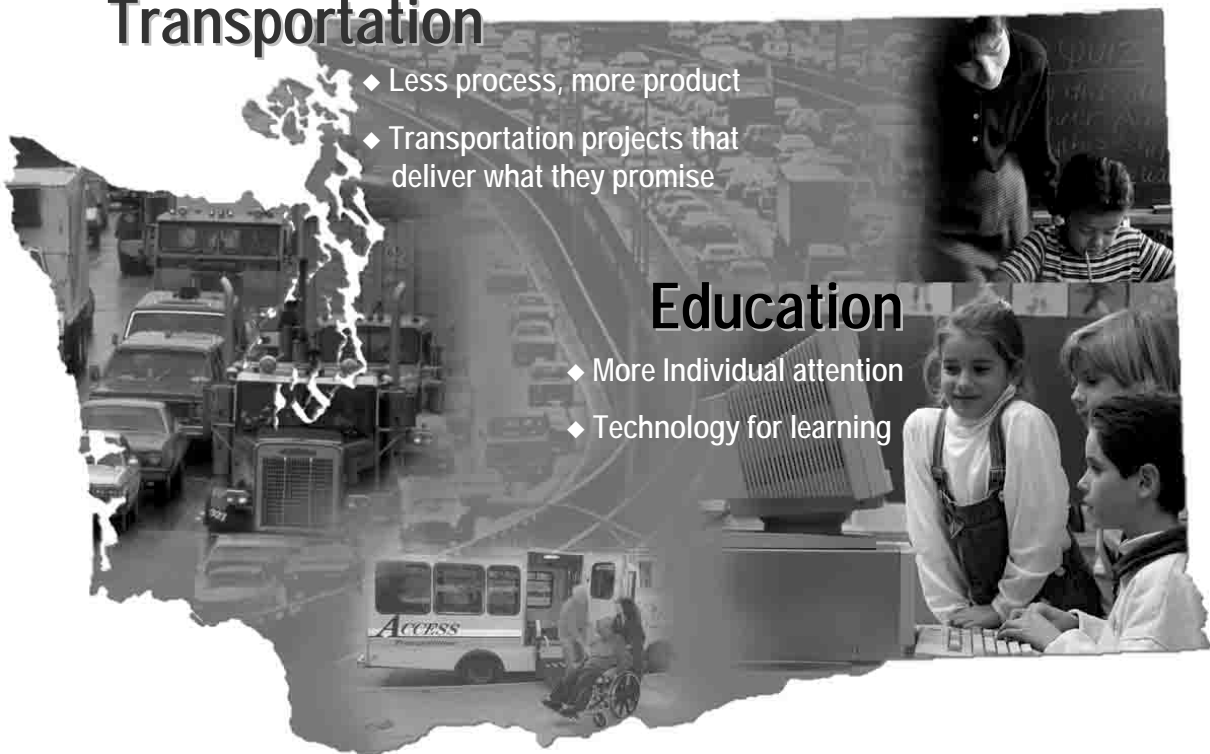
- ✓ **Education is Our Highest Priority:** Improving student achievement and access to higher education are the keys to a future of opportunity.
- ✓ **Transportation Problems Must Be Addressed:** Make the Department of Transportation more efficient and accountable – then move forward with a long-term investment plan.
- ✓ **Families and Our State's Environment must be Protected:** Vulnerable children and adults will get better care. School safety is improved. Programs to ensure clean water for people and fish will move ahead.
- ✓ **Government Effectiveness is Improved:** Restructuring state government means reductions, while maintaining quality programs.
- ✓ **Maintain a Responsible Reserve:** To protect key public services in the event of an economic downturn, a reserve fund of nearly \$600 million is maintained.

## Transportation

- ◆ Less process, more product
- ◆ Transportation projects that deliver what they promise

## Education

- ◆ More Individual attention
- ◆ Technology for learning

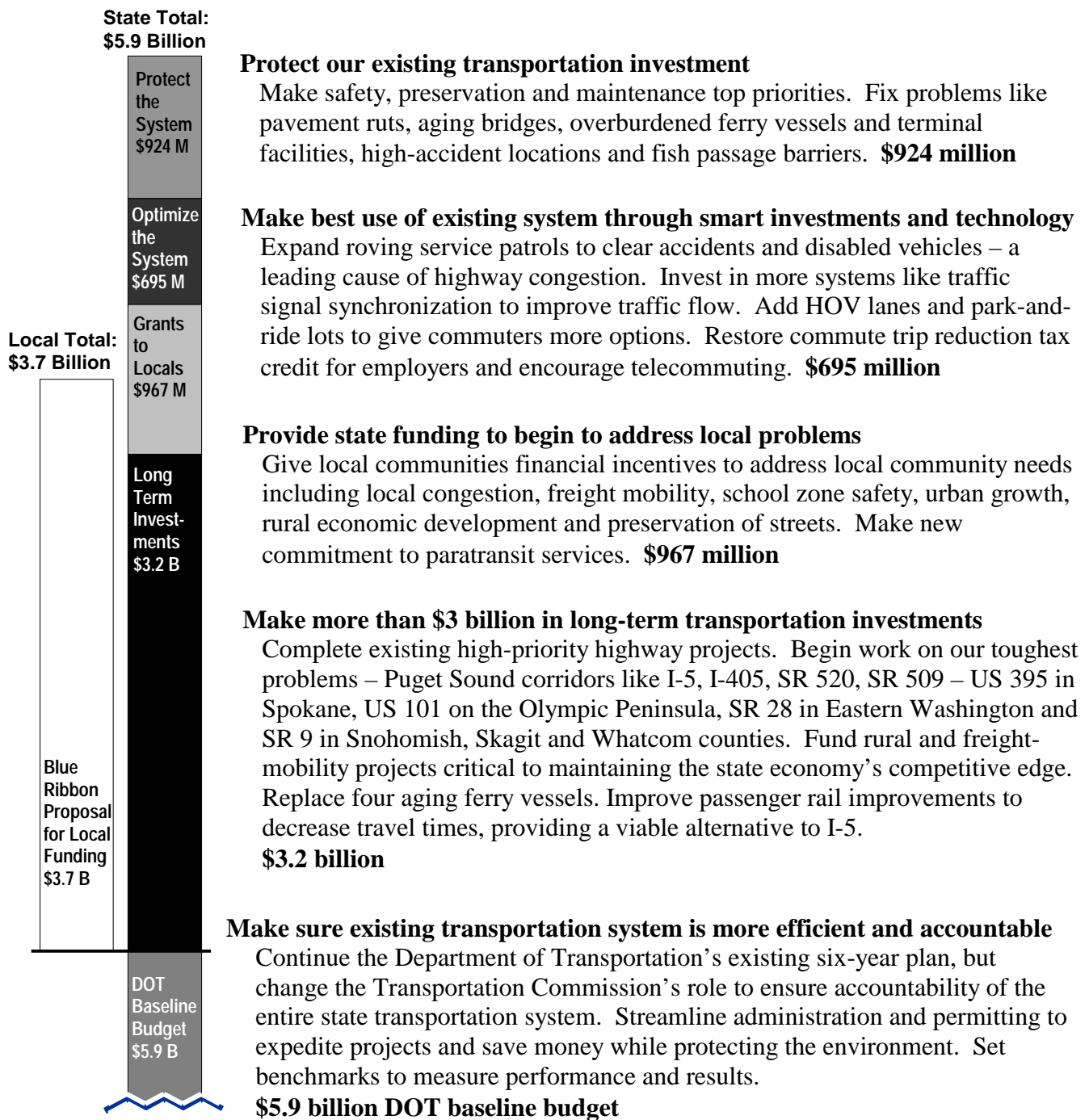


# Taking on the Challenge

## Governor's Priorities for Transportation

- ✓ Reform transportation to cut costs, increase accountability
- ✓ Preserve and maintain our existing investment in transportation
- ✓ Get the most from the system through smart investments and technology
- ✓ Make long-term transportation investments for Washington's future

## Six-Year Plan for Transportation: \$9.6 Billion in New Funding



# Focusing on Student Achievement

## Governor's Priorities for K-12 Education

- ✓ Smaller class sizes and more individual attention for students
- ✓ Assistance to schools that need help to improve
- ✓ Safe and civil schools
- ✓ Streamline funding and regulations to focus on performance
- ✓ Performance pay innovations
- ✓ Technology to improve learning

## The Governor's Proposal:

### Implement Initiative 728

Provide \$1 billion in new, voter-approved funding for school districts over the next four years. Schools receive an average of more than \$200 per child in each of the next two years so students get more individual attention through smaller class sizes, extended school days or years, and preschool programs. Teachers get additional professional development opportunities. **\$393 million Student Achievement Fund**

### Implement Initiative 732

Provide annual cost-of-living increases for state-funded public school teachers and staff. **\$302 million GF-S**

### Liberate schools from rules and provide recovery plans for failing schools

Continue school reform with demonstration projects that free schools from red tape and authorize a new teacher compensation system that rewards teachers based on their knowledge, skill and performance. Offer assistance to struggling schools. Experts work with school district school staff to develop plans for improving student performance. **\$16 million GF-S**

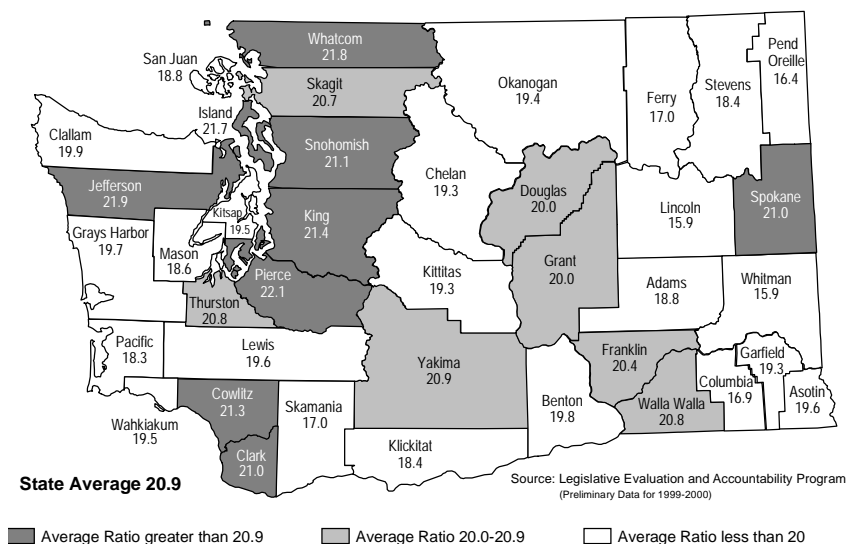
### Improve safety in every school

Fund safety planning in all school districts. Add toll-free school safety hotline, so students can anonymously report concerns about violence or harassment. **\$13.9 million GF-S**

### Invest in technology

Provide high-quality courses online. Help teachers use technology to teach. Help students use technology to learn. **\$7 million GF-S**

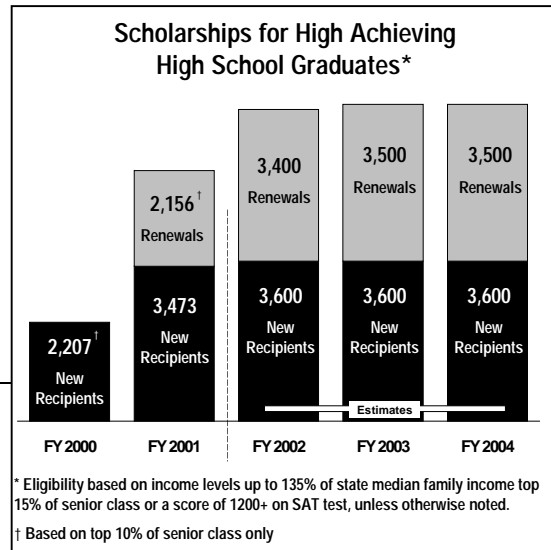
Students per Elementary Teacher, Grades K-6, 1999-2000



# Expanding Enrollment and Technology Programs

## Governor's Priorities for Higher Education

- ✓ Expand access to colleges and universities with new enrollment
- ✓ Target new enrollment to high-demand fields
- ✓ Make college affordable through financial aid
- ✓ Spread the benefits of high technology prosperity
- ✓ Grant tuition-setting authority to institutions



## The Governor's Proposal:

### Target new enrollment to high-demand fields

Increase enrollment by 6,225 students to meet the growing demand for college and university enrollment throughout the state. Of the total new enrollment, 1,500 are in high-demand fields such as computer science and engineering. **\$43.5 million state funds**

### Reward academic achievement in high school

Continue the Promise Scholarships program to reward the top 15 percent of each high school graduating class with two-year college scholarships. Scholarships are limited to students from low- and middle-income families earning up to 135 percent of the state median family income – about \$77,600 per year for a family of four. **\$8 million GF-S**

### More affordable access

Expand State Need Grants to provide financial aid to accommodate the enrollment increase. Increase amount of the grants to students at or below 65 percent of state median family income – about \$37,500 per year for a family of four. **\$9 million GF-S**

### Spread the benefits of technology

Create a new technology institute at the University of Washington-Tacoma campus, starting with new enrollments for 160 more undergraduate and graduate students in computer and software systems. Locating the institute in Tacoma will expand the benefits of the technology industry beyond King County. **\$7.5 million GF-S**

### Improve higher-education salaries

Increase compensation for faculty at state colleges and universities and increase funding to recruit and retain quality instructors. **\$89 million state funds**

### Campuses invest in quality

Provide tuition-setting authority to higher education institutions, giving them the financial flexibility to respond to market forces, improve education quality, and help recruit and retain faculty.

# Protecting Our Vulnerable Children and Adults

## Governor's Priorities for Human Services

- ✓ Move forward on the Governor's child-safety initiative
- ✓ Improve care, safety and opportunities for the most vulnerable children and adults
- ✓ Increase the protection and monitoring provided for long term care clients
- ✓ More community-based mental health options

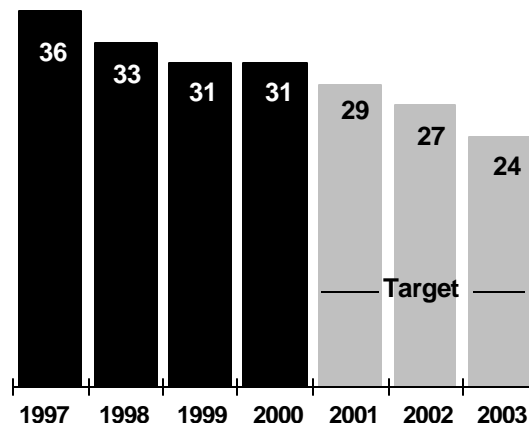
## The Governor's Proposal:

### Increase attention to vulnerable children and improve foster care, tools for caseworkers

Reduce child-protection caseloads from 29 children per worker to a ratio of 24 to one. Use better methods to decide if children are at risk from parental drug abuse. Double capacity of child-placement agencies to reduce social workers' caseloads. Make sure medical and personal records of foster children are complete and available to foster parents and caseworkers. Help foster children pay for college and provide Medicaid coverage for foster children up to age 21. **\$33.7 million GF-S**

### Washington's Children Benefit

Proposal Decreases Number of Child Welfare Cases Per Caseworker



### Provide more options to care for those with mental illness and developmental disabilities

Provide people with mental illness and developmental disabilities more community-based options so they can be cared for in more appropriate settings. Provide additional capacity to regional support networks for monitoring and community-based, in-patient care. **\$12.1 million GF-S**

### Help more people with disabilities move from institutions to community settings

Provide funding so more people can choose to live outside institutions. Reduce caseload ratio from current level of 108 clients per caseworker to 65 clients per caseworker. **\$18.8 million GF-S**

### Ensure better protection for people in long-term care

Improve case management to help ensure clients are cared for in safe and appropriate settings. Create a registry to prevent people with a history of abuse or neglect from providing care for clients. Train 333 volunteer ombudsmen who will visit and look out for the welfare of an estimated 10,000 clients a year. **\$4.4 million GF-S**

# Keeping Our Communities Safe

## Governor's Priorities for Public Safety

- ✓ Fight the methamphetamine epidemic
  - ✓ Confine, treat and supervise sex offenders
  - ✓ Improve the use of technology in law enforcement and criminal justice
- 

## The Governor's Proposal:

### Intensify the state's response to methamphetamine

Expand the ability of the State Patrol and local police to respond to reports of meth labs. Train and equip 60 local police officers for meth-lab response. Provide community education programs on dangers of meth and how to recognize meth labs. Speed the cleanup of meth labs. Improve the response of Child Protective Services to children found at meth lab sites. Limit sales of over-the-counter drugs that can be used to make methamphetamine. Improve treatment programs for meth users. **\$12.3 million state funds**

### Strengthen the civil commitment program for sex offenders

Open a new, 248-bed Special Commitment Center on McNeil Island and improve the center's treatment program. Provide secure, community-based housing and treatment for those released from Special Commitment Center by court order. **\$6.8 million, \$53.3 million state construction funds**

### Use technology to streamline law enforcement

Automate law enforcement retrieval of driver and vehicle information from Department of Licensing records. Create a crime intelligence database for state and local law enforcement, and improve the State Patrol's emergency communications system. Continue Department of Corrections' Offender Management Network, which provides information for more effective management and supervision of offenders. Authorize electronic filing of information that is presently required for pistol sales and concealed-weapons permits. **\$17.7 million state funds**

# Protecting Washington's Environment

## Governor's Priorities for Protecting Natural Resources

- ✓ Provide tools to save wild salmon
- ✓ Increase efforts to make water available to meet the needs of people and fish
- ✓ Prevent hazardous-substance spills, clean up toxic sites

## The Governor's Proposal:

### Continue campaign to save wild salmon

Provide state and federal funding for salmon recovery statewide. **\$212.7 million state and federal funds**

Continue the Forest and Fish Agreement with the timber industry, including purchase of small landowner timber easements and improving forest roads to protect habitat. **\$40.6 million (\$10.7 million federal, \$4.5 million state bonds, \$25.4 million other state funds)**

Provide grants for habitat restoration and acquisition through the Salmon Recovery Funding Board. Improve support for local salmon-recovery efforts and watershed planning. **\$67.5 million (\$28 million state bonds, \$28 million federal, \$11 million other state funds)**

Reform salmon-hatchery operations and hatchery facilities. **\$43.1 million (\$23.1 million federal, \$11.7 million state bonds, \$1.5 million local funds, \$650,000 other state funds)**

### Step up efforts to better manage and protect water resources

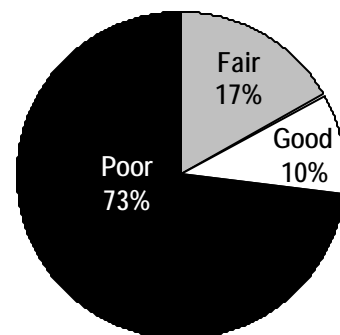
Provide grants and technical assistance to help local governments update shoreline master plans and critical-area ordinances. **\$13.8 million other state funds**

Reform state water code and reduce backlog of requests for new water rights and changes in existing water rights. Implement Yakima Basin Water Investment Action Agenda. **\$10.5 million (2.5 million GF-S, \$4 million State Bonds, \$4 million other state funds)**

### Increase efforts to free the environment of toxic chemicals

Accelerate cleanup of contaminated sites. Strengthen a pipeline safety program to include regulations and inspections. Continue operation of Neah Bay Rescue Tug. **\$14.2 million other state funds**

Conditions of Washington's Streamside Habitat



Department of Fish and Wildlife September 2000

State's Toxics Site Restoration Funding



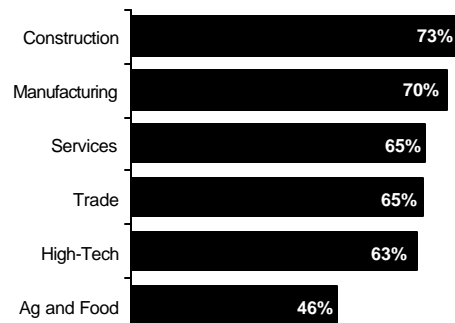
Department of Ecology December 2000

# Sharing the State's Prosperity

## Governor's Priorities for Economic Development

- ✓ Create a 21st century workforce
- ✓ Revitalize Washington's rural economies
- ✓ Build new economic infrastructure throughout Washington
- ✓ Shape an entrepreneurial environment

Percent of Firms Reporting Difficulty Finding Qualified Applicants



## The Governor's Proposal:

### Build a workforce for the 21<sup>st</sup> century

Promote statewide economic development by increasing the supply of skilled workers for knowledge-based jobs in software, construction and agriculture industries. Expand university and apprenticeship programs. Broaden on-the-job customized training programs in emerging industries and technologies. **\$9.6 million GF-S**

### Give communities better tools for local economic development

Encourage new economic development in local communities by financing public infrastructure needed to spur growth, and pay for the investments with enhanced revenue from development projects. Boost funding for Community Economic Revitalization projects to address rural infrastructure needs and establish an Infrastructure Task Force to address statewide financing needs. **\$13.5 million GF-S**

### Make it easier for industries to move into new areas

Enable pre-permitting of industrial sites for specific kinds of development, cutting the risk and time associated with siting new industries. QuickSites program helps communities recruit specific industries by offering them a better chance to hit the ground running. **\$150,000 GF-S**

### Sharpen state focus on trade, economic development and community development

Divide the Department of Trade and Economic Development into two agencies – one dedicated to improving economic vitality and promoting trade, and the other dedicated to building stronger communities. **\$2.8 million GF-S**

### Make housing in Washington more affordable

Fund a pilot project to reduce costs in residential property development. Offer operating support for farmworker housing projects and provide one-time maintenance funding to local housing programs through a surcharge on the recording of real estate transactions. **\$2.2 million other state funds**



# Reducing Taxes for Seniors and Energy Development

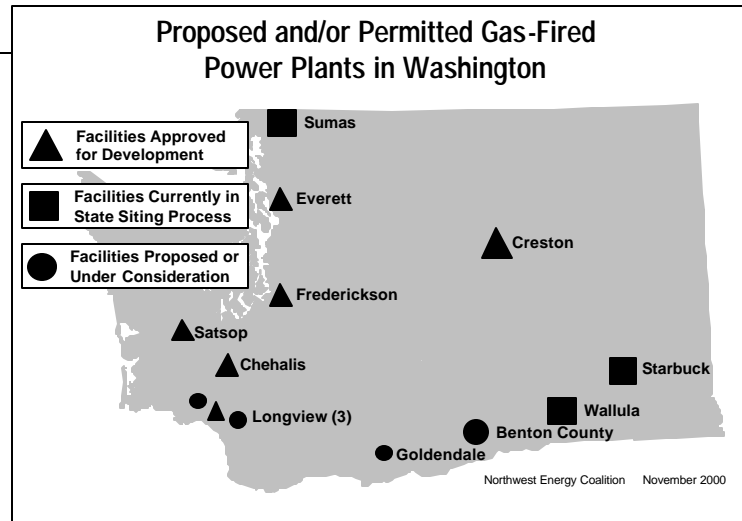
## Governor's Priorities for Tax Relief

- ✓ Provide property tax relief to seniors
- ✓ Ensure reliable, affordable energy for Washington's citizens and businesses
- ✓ Promote investments in renewable energy and conservation
- ✓ Increase energy efficiency in public and private facilities
- ✓ Take sudden spikes out of property tax bills

## The Governor's Proposal

### Create tax breaks that promote energy generation and conservation

Extend sales tax credits to small-scale wind, solar, and other energy-generating facilities, and expand eligibility to home or farm-based facilities as small as 200 watts. Provide \$1 million a year in utility tax credits for community programs providing low-income energy assistance. Exempt utilities from sales taxes on air pollution control equipment for older electric generating plants. Exempt aluminum companies from brokerage taxes on natural gas for on-site plants, so long as companies maintain payrolls and invest in conservation and renewable energy. **\$3.1 million tax credits**



### Give property tax relief to seniors and people with disabilities

Exempt senior citizens and persons with disabilities who are eligible for existing property tax exemptions from the state property tax levy. Depending on level of income, senior citizens and persons with disabilities realize property tax savings of between \$200 to \$500 on a home valued at \$150,000.

### Protect property taxpayers from sudden spikes in tax bills

Authorize use of a rolling average of the current and previous three years as the basis for valuing property for tax purposes. The change takes sudden spikes out of tax bills, while avoiding unfair value freezes. Requires a voter-approved Constitutional amendment.

# Improving State Services

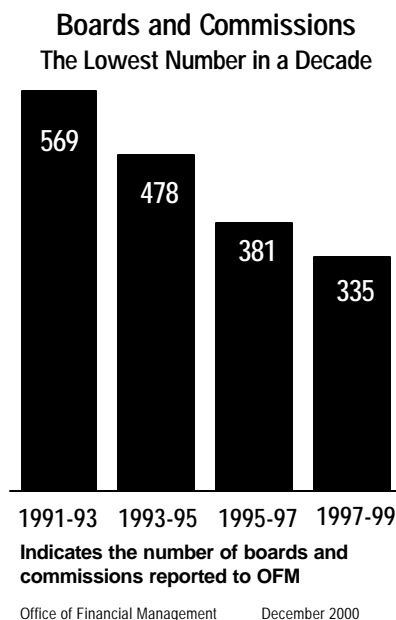
## Governor's Priorities for Government Efficiency

- ✓ Improve government services by allowing collective bargaining and contracting out
- ✓ Improve service and reduce costs by eliminating duplicative agency functions
- ✓ Continue regulatory reform and eliminate unnecessary reports
- ✓ Bring smaller agencies into a network of Digital Government
- ✓ Ensure a fair and equitable employee salary and benefit package

## The Governor's Proposal:

### Create a more flexible state government workforce in order to improve service

Add flexibility to contract with the private sector for delivery of more state services. Reform the civil service system. Allow collective bargaining for compensation and work rules.



### Streamline state government

Cut red tape by moving, combining or eliminating duplicate boards, commissions and state agency functions to save dollars and improve service. Combine central personnel, compensation and pension benefit functions by merging the Department of Personnel and the Department of Retirement Systems. Transfer state printer services to the Department of General Administration. Transfer a variety of functions from the Governor's Office to front-line agencies. Create a citizen council to develop proposals to streamline government. Create a single administrative unit to deliver childcare and early learning services. Eliminate 23 boards and commissions that are no longer necessary. **\$1.5 million**

### Continue regulatory reform and eliminate unnecessary paperwork

Continue efforts to expand state government services online. Speed up rule making for routine, non-controversial regulations. Continue efforts to eliminate unnecessary reports. Help small agencies move toward online service delivery. **\$2.4 million Internal Service Funds**

### Provide a fair salary and benefit package for state and higher-education employees

Despite fast-rising insurance premiums and limited budget flexibility, the Governor proposes annual cost-of-living increases and funding for salary upgrades to address the state's most acute recruitment and retention issues. **\$128 million, plus \$49 million to upgrade salaries in certain job classifications to bring them in line with private sector**

# Focusing on Preservation

## Governor's Priorities for State Construction Budget

- ✓ Be creative with limited resources
- ✓ Preserve state buildings and facilities
- ✓ Restrict new construction to overcrowded higher-education facilities

## The Governor's Proposal:

### Reshape Ten-Year Capital Plan

Reduce long-term capital plan to reflect a \$936 million drop in available bond capacity due to debt limit requirements and rising bond interest rates over the next ten years.

### Preserve existing state buildings and facilities

Fund preservation and protection of existing buildings and provide infrastructure support, such as a new energy plant at Washington State University, to keep state buildings in good condition. **\$377 million**

### Make required new capital investments

Finance salmon-recovery efforts and construction of the Special Commitment Center for sex offenders. **\$103 million**

### Increase higher-education capacity

Add capacity at overcrowded state college and university facilities. **\$209 million**

### Boost public safety

Provide new facilities to house violent prisoners who require intensive management, and make improvements to laboratories at the Department of Health. **\$15.2 million**

### Less Construction Possible Due to Less Money Available in Next 10 Years

